

# HOUSE . . . . . No. 4477

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## The Commonwealth of Massachusetts

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By Mr. Koutoujian of Waltham, for the committee on Financial Services, on House, Nos. 919 and 920, a Bill Further Regulating the Business of Insurance in the Commonwealth by Protecting Insureds' Rights to Receive Benefits for Ambulance Services and by Restricting the Ability of Ambulance Services to Balance Bill for Services Rendered (House, No. 4477). February 8, 2010.

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*To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:*

The undersigned legislators and/or citizens respectfully petition for the passage of the accompanying bill:

An Act Further Regulating the Business of Insurance in the Commonwealth by Protecting Insureds' Rights to Receive Benefits for Ambulance Services and by Restricting the Ability of Ambulance Services to Balance Bill for Services Rendered.

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FOR THE COMMITTEE

NAME:

Peter J. Koutoujian

DISTRICT/ADDRESS:

10th Middlesex

# The Commonwealth of Massachusetts

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In the Year Two Thousand and Ten  
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An Act Further Regulating the Business of Insurance in the Commonwealth by Protecting Insureds' Rights to Receive Benefits for Ambulance Services and by Restricting the Ability of Ambulance Services to Balance Bill for Services Rendered. .

*Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:*

1 Section 1. Chapter 176D of the General Laws, as appearing in the 2006 Official Edition, is  
2 hereby amended by inserting after Section 3B the following new section:

3 Section 3C. Requirements for insurance policies and insurance contracts providing coverage for  
4 ambulance services.

5 (a) Definitions. When used in this Section 3C, the following words shall have the  
6 following meanings, except as otherwise specifically provided:

7 (i) "Ambulance Service Provider" shall mean any person or entity licensed by the  
8 department of public health under section 6 of chapter 111C of the General Laws to establish or  
9 maintain an ambulance service.

10 (ii) "Ambulance Services" shall mean one or more of the services that an ambulance  
11 service provider is authorized to render under its ambulance service license.

12 (iii) "Insurance Policy" and "Insurance Contract" shall mean any contract of insurance,  
13 motor vehicle insurance, indemnity, medical or hospital service, dental or optometric, suretyship,  
14 or annuity issued, proposed for issuance or intended for issuance by any insurer.

15 (iv) "Insured" shall mean any individual entitled to ambulance services benefits under  
16 any insurance policy or insurance contract.

(v) "Insurer" shall mean any person as defined in section 1 of chapter 176D of the General Laws; any health maintenance organization as defined in section 1 of chapter 176G of the General Laws; a non-profit hospital service corporation organized under chapter 176A of the General Laws; any organization as defined in section 1 of chapter 111I of the General Laws that participates in a preferred provider arrangement also as defined in said section 1 of said chapter 111I; any carrier offering a small group health insurance plan under chapter 176J of the General Laws; any company as defined in section 1 chapter 175 of the General Laws; any employee benefit trust; any self-insurance plan, and any company certified under section 34A of chapter 90 and authorized to issue a policy of motor vehicle liability insurance under section 113A of chapter 175 that provides insurance for the expense of medical coverage.

(b) Direct Payment to Ambulance Service Providers. Notwithstanding any general or special provision of law to the contrary, in any instance in which an ambulance service provider provides an ambulance service to an insured but is not an ambulance service provider under contract to the insurer maintaining or providing the insured's insurance policy or insurance contract, the insurer maintaining or providing such insurance policy or insurance contract shall pay the ambulance service provider directly and promptly for the ambulance service rendered to the insured. Such payment shall be made to the ambulance service provider notwithstanding that the insured's insurance policy or insurance contract contains a prohibition against the insured assigning benefits thereunder so long as the insured executes an assignment of benefits to the ambulance service provider, and such payment shall be made to the ambulance service provider in the event an insured is either incapable or unable as a practical matter to execute an assignment of benefits under any insurance policy or insurance contract pursuant to which an assignment of benefits is not prohibited, or in connection with an insurance policy or insurance contract that contains a prohibition against any such assignment of benefits. An ambulance service provider shall not be considered to have been paid for an ambulance service rendered to an insured, if the insurer makes payment for said ambulance service to the insured. An ambulance service provider shall have a right of action against any insurer that fails to make any payment to it pursuant to this subsection (b).

(c) Payment Rates. Payment to an ambulance service provider under subsection (b) shall be at a rate equal to the lower of the ambulance service provider's usual and customary charge for the ambulance service rendered to the insured, or three times the then current published rate for the ambulance service rendered to the insured as established by the Centers for Medicare and Medicaid Services under Title XVIII of the Social Security Act (Medicare).

(d) Payment in Full and Prohibition on Balance Billing. An ambulance service provider receiving payment for an ambulance service in accordance with subsections (b) and (c) shall be deemed to have been paid in full for the ambulance service provided to the insured, and shall have no further right or recourse to further bill the insured for said ambulance service with the exception of coinsurance, co-payments or deductibles for which the insured is responsible under the insured's insurance policy or insurance contract.

56           (e) No Effect on Covered Benefits. No term or provision of this section 3C shall be  
57 construed as limiting or adversely affecting an insured's right to receive benefits under any  
58 insurance policy or insurance contract providing insurance coverage for ambulance services. No  
59 term or provision of this section 3C shall create an entitlement on behalf of an insured to  
60 coverage for ambulance services if the insured's insurance policy or insurance contract provides  
61 no coverage for ambulance services.